

City of Detroit


CITY COUNCIL

IRVIN CORLEY, JR.
DIRECTOR
(313) 224-1076

FISCAL ANALYSIS DIVISION
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 218
Detroit, Michigan 48226
FAX: (313) 224-2783
E-Mail: irvin@cncl.ci.detroit.mi.us

ANNE MARIE LANGAN
DEPUTY DIRECTOR
(313) 224-1078

TO: COUNCIL MEMBERS

FROM: Irvin Corley, Jr., Director 

DATE: June 24, 2008

RE: Transfer of jurisdiction of 5601, 5815, and 5851 W. Jefferson
(Revere Copper & Brass) to the Water and Sewerage Department
for potential future CSO Control Facility (**Recommend Approval**)

Attached is a resolution from Finance regarding the transfer of jurisdiction of the Revere Copper & Brass site. The Department of Water and Sewerage would pay \$5 million for this transfer for a future CSO project.

The Revere Copper & Brass site was appraised at \$4.5 million. A copy of the appraisal summary is attached.

The Board of Water Commissioners approved this transaction on June 18, 2008 (see attached).

I had a question about transferring title to DWSD for this transfer, and the Law Department opined since the City "owns" DWSD, a specific title in DWSD's name is a "nullity". Apparently, the transfer of jurisdiction over to DWSD also transfers any associated liability to DWSD.

In addition, the Board of Water Commissioners approved this transaction on June 18, 2008 (see attached).

I recommend approval of this transaction, hopefully by June 30, 2008, to count it as 2007-08 revenue.

Attachments

cc: Council Divisions, Auditor General's Office, Anthony Adams-Deputy Mayor, Norman White-Chief Financial Officer, Pamela Scales-Budget Director, Douglass Diggs, PDD Director, Kerwin Wimberly, Mayor's Office

ICJ:\ICORLEY\Revere Copper DWSD Land Transfer 6 24 2008.doc

CITY OF DETROIT
FINANCE DEPARTMENT

Budget, Finance & Audit
Standing Committee
Referred to Committee: 6-8-08
LINE ITEM# 12 Date: 6-12-08
Disposition Bring Back

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE., SUITE 1200
DETROIT, MICHIGAN 48226
PHONE: 313-224-3491
FAX: 313-224-4466
WWW.CI.DETROIT.MI.US

May 21, 2008

HONORABLE CITY COUNCIL

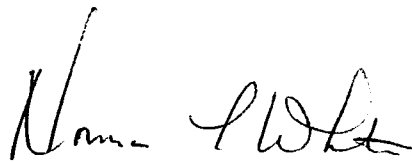
RE: Transfer of jurisdiction of 5601, 5815, and 5851 W. Jefferson (Revere Copper & Brass) to the Water and Sewerage Department for potential future CSO Control Facility

On March 16, 1994 (JCC pp 492-93), the City Council adopted a "Resolution of Authority" for the Detroit Water and Sewerage Department ("DWSD") to acquire properties, easements and rights-of-way for the purpose of constructing federally-mandated Combined Sewer Overflow ("CSO") basins. DWSD has identified the property located at 5601, 5815, and 5851 W. Jefferson, commonly known as "Revere Copper & Brass," as the location for a CSO Control Facility. In order for the parcel to be available for the CSO program, jurisdiction over the Revere Copper & Brass site needs to be transferred to DWSD. The Planning & Development Department is in support of the transfer of jurisdiction to DWSD.

The Revere Copper & Brass site is approximately 28.663 acres, and is zoned M-4 (Intensive Industrial District). The property is valued at \$5 million. DWSD Director Victor Mercado has agreed that this amount should be borne by the DWSD CSO program in exchange for receiving jurisdiction over the Revere Copper & Brass site.

In accordance with City Code § 14-8-3, I have designated the Detroit Water & Sewerage Department as the department to manage and maintain the Revere Copper & Brass site, to be held for the future public use for the construction and operation of a CSO Control Facility. Pursuant to City Code §14-8-3, I am requesting that your Honorable Body adopt the attached resolution which approves the transfer of jurisdiction of the approximately 28.663 acre Revere Copper & Brass site to DWSD, in exchange for reimbursement from the DWSD CSO program of \$5 million.

Respectfully submitted,



Norman L. White
Chief Financial Officer / Finance Director

Attachment

RESOLUTION

BY COUNCIL MEMBER: _____

RESOLVED, the Detroit City Council approves the designation of the Detroit Water and Sewerage Department as the department to manage and maintain the real property known as the Revere Copper & Brass site, described on the attached Exhibit A, which is being held for future public use as a Combined Sewer Overflow Control Facility; and

RESOLVED FURTHER, that the Finance Director is authorized to transfer funds, adjust the proper accounts and honor vouchers in accordance with the foregoing communication and regulations of the City of Detroit.

Exhibit A

Revere Copper & Brass site

Land in the City of Detroit, County of Wayne and State of Michigan being part of Private Claim 39, also known as the Walter Crane Farm in the area formerly known as Springwells Township, and being more particularly described as follows;

All that part of Private Claim 39 bounded on the North by the South line of West Jefferson Avenue, 80 feet wide; bounded on the West by the West line of Private Claim 39, which is common to the East line of Private Claim 32; bounded on the East by a line which is 60 feet West of and parallel to the East line of Private Claim 39; and bounded on the South by the United States Harbor line as defined by the "Harbor Lines of Detroit and Vicinity Established by the Secretary of War, September 23, 1892", as recorded in Liber 20, Pages 75 to 87, Wayne County Records; except for a triangular portion of said tract of land which is defined as being the South 338.25 feet on the West line of Private Claim 39 and the West 157 feet on the U.S. Harbor line of said tract of land.

This herein described tract of land is subject to a 30 feet Right of Way for a Sewer Easement that was granted to the City of Detroit on January 20, 1857 and recorded in Liber 289, Page 578 on February 9, 1883 and any other easements affecting the land. Said tract of land includes property formerly owned by the "Revere Copper Products Incorporated" which was deeded to the City of Detroit by Warranty Deed and recorded in Liber 23247, Pages 685 and 686, Wayne County Records, which was described as follows;

Parcel # 1: Lots 1187 through 1200 inclusive and the Westerly 23 feet of Lot 1201 of the Sixth Plat of WALTER CRANE FARM, P.C. 39, together with the adjoining vacated alley located at the rear of said lots, according to the Plat thereof as recorded in Liber 20, Page 55 of plats, Wayne County Records.

Parcel # 2: Lots 1206 through 1215 inclusive of the Sixth Plat of WALTER CRANE FARM, P.C. 39, together with the adjoining vacated alley located at the rear of said lots, according to the Plat thereof as recorded in Liber 20, Page 55 of plats, Wayne County Records, Campbell Avenue lying Southerly of the Southerly line of Jefferson Avenue West and Westerly of the above described premises also Lots 1 through 10, inclusive of Block 22, REEDER, JEROME AND DUFFIELDS SUBDIVISION, together with the adjoining vacated alley Southerly of said premises as recorded in Liber 7, Page 29 of plats, Wayne County Records, excepting that part of Lot 10 and the vacated alley deeded to the City of Detroit, Wayne County Records.

Parcel # 3: The Westerly 385.36 feet in width of that part of Private Claim 39 South of West Jefferson Avenue, excepting the Northerly 145 feet thereof as platted in the plat recorded in Liber 20 Page 55 of plats, Wayne County Register of Deeds records: together with accretions and additions thereto extending to the Detroit River and to the Harbor Line.

Parcel # 4: Beginning at a point South 28° 8 minutes East 202.75 feet from a point in the Southerly line of said West Jefferson Avenue 97.52 feet distant on a course South 61° 52 minutes West from the intersection of the Southerly line of West Jefferson Avenue with the Westerly line of vacated Campbell Avenue; running thence from said point of beginning North 61° 52 minutes East 71.40 feet to a point; thence North 27° 49 minutes West 57.75 feet to a point; thence North 61 °52 minutes East 604.68 feet to a point; thence South 27 ° 50 minutes East 759.52 feet to the United States harbor line thence South 34 ° 3 minutes West along said United States Harbor line 635.59 feet to a point in the Easterly line of PARCEL # 3 above; thence North 55 ° 57 minutes West 302.57 feet along the Easterly line of PARCEL # 3 above to a point which is the apex of an angle formed by the change of the courses of the Westerly boundary of the premises herein described in an Easterly direction; thence continuing along said Easterly line of PARCEL # 3 above North 28 ° 3 minutes West 730.73 feet to a point; thence North 61 ° 52 minutes East 29.64 feet to the point of beginning, including all vacated streets and alley lying within the boundaries of said premises above described, and together with all riparian rights thereunto belonging.

A/K/A 5601, 5815 & 5851 W. Jefferson
Ward 16, Items 000006.001, 000006.002L & 000008-9



CITY OF DETROIT
WATER AND SEWERAGE DEPARTMENT
BOARD OF WATER COMMISSIONERS

735 RANDOLPH STREET
DETROIT, MICHIGAN 48226-2830
PHONE: 313-224-4704
FAX: 313-224-6067

Agenda of June 18, 2008

**Item No.10.A.7
Riverfront Land Acquisition for
CSO Control Facility; Revere
Copper and Brass Parcel
Amount: \$5,000,000.00**

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Victor M. Mercado, Director
Water and Sewerage Department

DATE: June 18, 2008

RE: Acquisition of Land from Planning & Development Department for future
Combined Sewer Overflow improvements in West Jefferson Area

MOTION: Upon recommendation of Victor M. Mercado, Director, the Board of Water Commissioners authorizes the Director to approve the acquisition of a 28.665 acre parcel of land located at 5601, 5815, and 5851 W. Jefferson, commonly known as "Revere Copper & Brass," as the location for a CSO Control Facility. The land will be acquired from the Planning & Development Department for the future construction of a combined sewer overflow facility. The price of the acquisition is \$5,000,000.00, and also authorizes the Director to take such action as may be necessary to accomplish the intent of this vote.

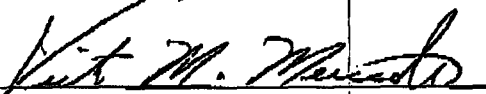
The recommendation was considered by the Board of Water Commissioners and action taken as noted below.

BOARD OF WATER COMMISSIONERS:

ACTION: APPROVED

DATE: JUN 18 2008

BY:


Victor M. Mercado, Director



BACKGROUND

RE: Transfer of jurisdiction of 5601, 5815, and 5851 W. Jefferson (Revere Copper & Brass) from the Planning and Development Department to the Water and Sewerage Department for future CSO Control Facility

On March 16, 1994 (JCC pp 492-93), the City Council adopted a "Resolution of Authority" for the Detroit Water and Sewerage Department ("DWSD") to acquire properties, easements and rights-of-way for the purpose of constructing federally-mandated Combined Sewer Overflow ("CSO") basins. DWSD has identified the property located at 5601, 5815, and 5851 W. Jefferson, commonly known as "Revere Copper & Brass," as the location for a CSO Control Facility. In order for the parcel to be available for the CSO program, jurisdiction over the Revere Copper & Brass site needs to be transferred to DWSD. The Planning & Development Department is in support of the transfer of jurisdiction to DWSD.

The Revere Copper & Brass site is approximately 28.665 acres on the Detroit River, and is zoned M-4 (Intensive Industrial District). The property is valued at \$5 million. DWSD has agreed that this amount should be borne by the DWSD CSO program in exchange for receiving jurisdiction over the Revere Copper & Brass site. This value is based on a December 5, 2005 appraisal of the property prepared for the Planning and Development Department by Peggy Young & Associates Inc. That appraisal concluded that the property was worth \$4,500,000 as of the date of the appraisal report.

Exhibit ARevere Copper & Brass site

Land in the City of Detroit, County of Wayne and State of Michigan being part of Private Claim 39, also known as the Walter Crane Farm in the area formerly known as Springwells Township, and being more particularly described as follows;

All that part of Private Claim 39 bounded on the North by the South line of West Jefferson Avenue, 80 feet wide; bounded on the West by the West line of Private Claim 39, which is common to the East line of Private Claim 32; bounded on the East by a line which is 60 feet West of and parallel to the East line of Private Claim 39; and bounded on the South by the United States Harbor line as defined by the "Harbor Lines of Detroit and Vicinity Established by the Secretary of War, September 23, 1892", as recorded in Liber 20, Pages 75 to 87, Wayne County Records; except for a triangular portion of said tract of land which is defined as being the South 338.25 feet on the West line of Private Claim 39 and the West 157 feet on the U.S. Harbor line of said tract of land.

This herein described tract of land is subject to a 30 feet Right of Way for a Sewer Easement that was granted to the City of Detroit on January 20, 1857 and recorded in Liber 289, Page 578 on February 9, 1883 and any other easements affecting the land. Said tract of land includes property formerly owned by the "Revere Copper Products Incorporated" which was deeded to the City of Detroit by Warranty Deed and recorded in Liber 23247, Pages 685 and 686, Wayne County Records, which was described as follows;

Parcel # 1: Lots 1187 through 1200 inclusive and the Westerly 23 feet of Lot 1201 of the Sixth Plat of WALTER CRANE FARM, P.C. 39, together with the adjoining vacated alley located at the rear of said lots, according to the Plat thereof as recorded in Liber 20, Page 55 of plats, Wayne County Records.

Parcel # 2: Lots 1206 through 1215 inclusive of the Sixth Plat of WALTER CRANE FARM, P.C. 39, together with the adjoining vacated alley located at the rear of said lots, according to the Plat thereof as recorded in Liber 20, Page 55 of plats, Wayne County Records, Campbell Avenue lying Southerly of the Southerly line of Jefferson Avenue West and Westerly of the above described premises also Lots 1 through 10, inclusive of Block 22, REEDER, JEROME AND DUFFIELDS SUBDIVISION, together with the adjoining vacated alley Southerly of said premises as recorded in Liber 7, Page 29 of plats, Wayne County Records, excepting that part of Lot 10 and the vacated alley deeded to the City of Detroit, Wayne County Records.

Parcel # 3: The Westerly 385.36 feet in width of that part of Private Claim 39 South of West Jefferson Avenue, excepting the Northerly 145 feet thereof as platted in the plat recorded in Liber 20 Page 55 of plats, Wayne County Register of Deeds records: together with accretions and additions thereto extending to the Detroit River and to the Harbor Line.



Parcel # 4: Beginning at a point South $28^{\circ} 8$ minutes East 202.75 feet from a point in the Southerly line of said West Jefferson Avenue 97.52 feet distant on a course South $61^{\circ} 52$ minutes West from the intersection of the Southerly line of West Jefferson Avenue with the Westerly line of vacated Campbell Avenue; running thence from said point of beginning North $61^{\circ} 52$ minutes East 71.40 feet to a point; thence North $27^{\circ} 49$ minutes West 57.75 feet to a point; thence North $61^{\circ} 52$ minutes East 604.68 feet to a point; thence South $27^{\circ} 50$ minutes East 759.52 feet to the United States harbor line thence South $34^{\circ} 3$ minutes West along said United States Harbor line 635.59 feet to a point in the Easterly line of PARCEL # 3 above; thence North $55^{\circ} 57$ minutes West 302.57 feet along the Easterly line of PARCEL # 3 above to a point which is the apex of an angle formed by the change of the courses of the Westerly boundary of the premises herein described in an Easterly direction; thence continuing along said Easterly line of PARCEL # 3 above North $28^{\circ} 3$ minutes West 730.73 feet to a point; thence North $61^{\circ} 52$ minutes East 29.64 feet to the point of beginning, including all vacated streets and alley lying within the boundaries of said premises above described, and together with all riparian rights thereunto belonging.

A/K/A 5601, 5815 & 5851 W. Jefferson
Ward 16, Items 000006.001, 000006.002L & 000008-9



8100 E. Jefferson Avenue
Suite 106A
Detroit, Michigan 48214

Peggy Young & Associates, Inc.

Telephone (313) 824-1150
Fax (313) 824-4338
py_a@sbcglobal.net

December 10, 2005

Mr. Chidi Nyeche
Executive Manager, Development
City of Detroit
Planning & Development Dept.
2300 Cadillac Tower
Detroit, MI 48226

**RE: 28.665-Acre Waterfront Site located at 5601, 5815 & 5851 W. Jefferson
Detroit, Michigan**

Dear Mr. Nyeche:

As you requested, I have made a physical inspection of the property referenced above to estimate the market value of the property. The purpose of the appraisal is to assist the client, the City of Detroit, in establishing the current market value for a possible sale of the surplus property. The interest appraised is the unencumbered fee simple interest.

I have personally inspected the property and have made a careful and detailed analysis of all factors pertinent to the estimate of value. To the best of my ability, the appraisal was completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) for a complete summary report and the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) regulations.

In my opinion, the estimated market value of subject property as of December 5, 2005, the effective date of the appraisal, is:

**FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS
(\$4,500,000).**

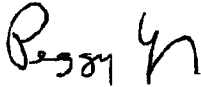
The report which follows is a summary report of a complete appraisal, which consists of four parts: Introduction, Part I; Factual Descriptions, Part II; Valuation of Property, Part III and Addenda, Part IV. However, all sections are integral parts of the whole analysis and are not intended to be self-contained. Each section must be considered in relation to other sections, as well as with the information contained in the addendum of this report, as a non-separable element of the entire appraisal report.

City of Detroit
Planning & Development Dept.
Page 2

This appraisal is based on the property as found and upon certain details and limiting conditions attached hereto and made a part hereof, without examination of title, encroachments, or restrictions, which may impair its value.

Respectfully submitted,

PEGGY YOUNG & ASSOCIATES, INC.

A handwritten signature in black ink, appearing to read "Peggy Y", is positioned below the company name.

By: Peggy Young, Certified General Appraiser
Michigan License #1201001323

EXECUTIVE SUMMARY

Brief Description:

Vacant waterfront industrial land located at 5601, 5815 & 5851 W. Jefferson, Detroit, MI

Land Area:

1,248,667 Square feet or 28.665 Acres

Zoning:

M-4 Intensive Industrial

Highest and Best Use:

Light industrial or mixed-use commercial/residential

Estimated Land Value

\$4,500,000

Effective Date of Appraisal:

December 5, 2005

Date of Appraisal Report:

December 10, 2005